

GOVERNOR HALEY BARBOUR CALLS SPECIAL SESSION FOR MAY 18

State Budget, Momentum Mississippi, MCI Settlement Issues to be Addressed

(Jackson, Miss.) – Governor Haley Barbour today called a Special Session of the Legislature for Wednesday, May 18, at 1:00 p.m., to address the state budget and other timely issues. A detailed Special Session call will be issued tomorrow.

“With new tax revenue now identified, the Legislature should take this Special Session opportunity to act quickly and pass an honest budget for Mississippi,” said Governor Haley Barbour. “In addition to the budget, there are other key issues that need to be addressed immediately.”

Citing increased tax revenue, Governor Barbour presented his own revised '06 budget proposal to lawmakers yesterday in preparation of the upcoming Special Session – including a \$110 million increase in K-12 education spending over last year. The 2005 Regular Session ended last month without lawmakers agreeing on a budget for the upcoming 2006 fiscal year that begins July 1.

Momentum Mississippi – the \$27 million economic development package organized by business leaders from across the state – will be one of the items considered by lawmakers. “In order to remain competitive for high tech jobs and to encourage industrial expansions here at home, Momentum Mississippi must be enacted now,” said Governor Barbour.

With the recent announcement of the state’s settlement in the tax fraud case with MCI, Governor Barbour will be including legislation relating to the settlement in the Special Session call. Lawmakers will

consider bills to use the \$100 million settlement to repay the Mississippi Department of Transportation for funds diverted from the agency in 2003 and to pay off the state's debt for the Mississippi Beef Processors Plant as an alternative to paying bond interest on the project.

"It is important to remember that this settlement money is one-time money that should not be used for recurring expenses," said Governor Barbour. "We should pay back the money originally owed to Mississippi's transportation needs, and we can rid the state of the beef plant debacle without having to pay what the Treasurer estimates could be more than \$16 million in bond interest payments over the next 20 years," he added.

Other items that will be addressed in the Special Session include:

- Appropriating funds for FY '05 deficit spending among several state agencies;
- Several state bond needs;
- Reauthorizing the state's no-call telemarketing law as overseen by the Public Service Commission;
- Creating a Military Family Relief Fund that will provide grants to Mississippi families that experience a financial burden due to active military service;
- Reviving Senate Bill 2471 which protects vulnerable adults from abuse. (Governor Barbour vetoed this bill last month due to language that established a new and duplicative program within the Attorney General's office that already exists within the Mississippi Department of Human Services therefore causing unnecessary administrative costs); and

“We have a lot of work to do on behalf of the citizens of Mississippi,” said Governor Barbour. “I look forward to working with the Legislature, and I am confident that the Legislature is ready to tackle these issues in a timely fashion.”

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